

STATE OF SOUTH CAROLINA

(Caption of Case)

Application of Duke Energy Carolinas, LLC
For Authorization Under Article 13, Chapter
27 of Title 58 Of The Code of Laws of South
Carolina, (1976, As Amended), to Issue and
Sell Securities

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2003 - 184 - E

(Please type or print)

Submitted by: Richard L. Whitt

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

- ☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously
- ☒ Other: Informational Filing Only-No Commission Action Required

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input checked="" type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input checked="" type="checkbox"/> Report	

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
Docket No. 2003-184-E

IN RE:)	
Application of Duke Energy Carolinas, LLC)	REPORT OF ISSUE AND SALE
for authorization under Article 13, Chapter 27)	OF SECURITIES
of Title 58 of the Code of Laws of South)	
Carolina (1976, as amended) to Issue and Sell)	
Securities)	

1. Securities Issued and Sold

Duke Energy Carolinas, LLC (the "Company"), through counsel, hereby reports that, pursuant to the authority granted by the Commission in this docket, the Company issued and sold securities as described below:

Senior Notes

On June 5, 2007, the Company issued, sold and delivered \$500,000,000 principal amount of 6.10% Senior Notes due 2037 (the "Notes"), pursuant to an underwriting agreement dated May 31, 2007, between the Company and the underwriters listed therein. The offering price to the public of the Notes was 99.987% of the principal amount of the Notes, and the underwriting discount was 0.875%, resulting in net proceeds to the Company, before expenses, of \$495,560,000. In addition, the underwriters reimbursed the Company in the amount of \$625,000, in part for its expenses related to the offering. The terms of the Notes are further described in the prospectus supplement filed as Exhibit 1 hereto. As further described in the prospectus supplement, the net proceeds of the offering were used for refinancing previously outstanding securities according to their terms, and for general company purposes, including the repayment of short-term indebtedness incurred by the Company. Following is an itemized statement of

expenses, other than underwriting compensation, incurred by the Company in effecting the Notes offering. Certain of such expenses are estimates.

SEC Registration Fee	\$	40,450
Trustee Fees	\$	2,500
Printing Costs	\$	25,888
Legal Fees and Expenses	\$	111,000
Blue Sky Fees and Expenses	\$	5,000
Rating Agency Fees	\$	99,500
Miscellaneous	\$	8,000
TOTAL	\$	292,338

Tax Exempt Bonds

The Company borrowed the proceeds resulting from the issuance of \$150,000,000 principal amount of North Carolina Capital Facilities Finance Agency Solid Waste Disposal Revenue Bonds (Duke Energy Carolinas Project), issued in two series of \$75,000,000 each and denoted Series 2006A and Series 2006B (the "Bonds"). The Bonds were issued pursuant to a Bond Purchase Agreement for each series dated October 17, 2006, between the Agency and the underwriters listed therein. The Company borrowed the proceeds of the Bonds pursuant to a Loan Agreement for each series dated as of October 1, 2006. Payment obligations under the Bonds are secured by irrevocable letters of credit, issued pursuant to a Letter of Credit and Reimbursement Agreement dated as of October 18, 2006, for each series, among the Company and the banks listed therein. The terms of the Bonds are further described in the Official Statement filed as Exhibit 2 hereto. As further described in the Official Statement, the net proceeds of the offering were and will be used to finance the acquisition, installation and construction of flue gas desulphurization (or "scrubber") equipment and related infrastructure at the Company's Marshall and Belews Creek electric generation plants.

Following is an itemized statement of expenses, other than underwriting compensation, incurred by the Company in effecting the Bonds offering. Certain of such expenses are estimates.

Trustee Fees	\$	2,000
Printing Costs	\$	4,568
Legal Fees and Expenses	\$	196,300
Letter of Credit Fee	\$	379,192
Rating Agency Fees	\$	38,000
Miscellaneous	\$	80,000
TOTAL	\$	700,060

2. Remaining Authority under Commission Order

The securities reported herein represent \$650,000,000 of the \$2,000,000,000 authorized by the Commission in its Order in this Docket. After issuance of such securities, there remained a balance of \$300,000,000 authorized under this Docket.

3. Exhibits

Pursuant to the Commission's Order, there are attached hereto and made a part of this Report the following exhibits:

1. Prospectus Supplement dated May 31, 2007, to prospectus dated May 31, 2007.
2. Official Statement, dated October 11, 2006.
3. Loan Agreement between the North Carolina Capital Facilities Finance Agency and the Company, dated as of October 1, 2006, relating to the Series 2006A Bonds.
4. Loan Agreement between the North Carolina Capital Facilities Finance Agency and the Company, dated as of October 1, 2006, relating to the Series 2006B Bonds.

5. Letter of Credit and Reimbursement Agreement relating to the Series 2006A Bonds, dated October 18, 2006, among the Company, the banks listed therein, and Wachovia Bank, N.A., as Administrative Agent and as Issuing Bank.
6. Letter of Credit and Reimbursement Agreement relating to the Series 2006B Bonds, dated October 18, 2006, among the Company, the banks listed therein, and Wachovia Bank, N.A., as Administrative Agent and as Issuing Bank.

WHEREFORE, Duke Energy Carolinas, LLC, respectfully provides this Report of Issue and Sale of Securities.

This 13th day of September, 2007.

Respectfully Submitted,

/S/

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